

**ETHICS COMMISSION
CITY AND COUNTY OF HONOLULU**



ADVISORY OPINION NO. 154

The question is whether an employee's outside interests as 1) chairman of the board of a tour company; 2) principal broker of a real estate company; and 3) salesman for an insurance company conflict with his duties as an investigator for a City agency with licensing authority.

The facts are understood to be as follows:

1. The employee has been hired on a personal service contract basis to be an investigator for a City agency with licensing authority.
2. As an investigator, the employee's duties include investigating nonconformance with laws, ordinances, rules, and regulations pertaining to real and personal property.
3. The employee is not involved in granting licenses but only in investigating cases brought to his attention by complaints, the police or by observation. In conducting investigations, the employee has no discretionary authority. He files a report and recommends appropriate action but the final decision is made at another level.
4. The employee's outside activities include being 1) chairman of the board of a tour company; 2) principal broker of a real estate company; and 3) salesman for a life insurance company.
5. The tour company specializes in group tours to the Philippines and does not book tours locally. The employee has no involvement in the running of the company other than his position as chairman of the board.
6. The employee stated that he intends to inactivate his real estate license as soon as the real estate company finds a new principal broker.
7. The employee is licensed by the State to sell life and health insurance. He is not licensed to sell casualty insurance.

The general rule appears in Section 11-102.3, Revised Charter of the City and County of Honolulu 1973 (1984 Ed.), which states:

No elected or appointed officer or employee shall . . .
[e]ngage in any business transaction or activity or have a financial interest, direct
or indirect, which is incompatible with the proper discharge of his official duties
or which may tend to impair his independence of judgment in the performance of
his official duties.

The Ethics Commission [Commission] finds no incompatibility between the employee's
outside activities and his duties with the City and County of Honolulu. In reaching this decision,
the Commission notes that this employee has no discretionary authority in terms of deciding
which cases to pursue or whether or not to discontinue a case. He is responsible for investigating
and submitting a report to his superiors on every case assigned to him. As with all outside
activities, it would be incompatible to conduct any outside business during City working hours or
to use City equipment and facilities for outside business purposes. So long as the employee's
outside activities remain separate from his City employment, the Commission finds that he may
continue his outside activities as understood in the statement of facts at the beginning of this
opinion.

Date: August 27, 1985

GILBERT A. GIMA
Chair, Ethics Commission

Note: The Ethics Commission's *Guidelines on Real Estate Licenses*, issued March 21, 1988,
supersedes Advisory Opinion No. 154.